

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

STEEP ROCK IRON MINES LIMITED

(Incorporated under the Laws of the Province of Ontario, February 24th, 1939.)

1. Address of the Company's Head Office and of any other offices:

Head Office—25 King Street West, Toronto, Ontario, Canada.
 Mine Office—Atikokan, Ontario.

2. Officers of the Company:

OFFICE HELD	NAME	ADDRESS	OCCUPATION
President	Joseph Errington	25 King Street West, Toronto, Ontario	Mining Executive.
Vice-President	Julian G. Cross	Port Arthur, Ontario	Mining Engineer.
Consulting Engineer	W. Samuel	Geraldton, Ontario	Mining Engineer.
Secretary-Treasurer	G. G. Blackstock	25 King Street West, Toronto, Ontario	Mining Executive.

3. Directors of the Company:

NAME	ADDRESS	OCCUPATION
Joseph Errington	Toronto, Ontario	Mining Executive.
Julian G. Cross	Port Arthur, Ontario	Mining Engineer.
D. M. Hogarth	Toronto, Ontario	Mining Executive.
*W. S. Morlock, K.C.	Toronto, Ontario	Barrister.
R. D. Bradshaw	Toronto, Ontario	Manufacturer.

*Since the date of this listing application, at a meeting of directors held Oct 12th, 1939, W. S. Morlock, K. C. resigned as a director of the Company and C. D. Kaeding, Mining Engineer, of Toronto, Ontario was elected to fill the vacancy.

4. Amount of authorized capital: 5,000,000 shares—No par value.

5. Number of shares and par value: 5,000,000 shares—No par value.

6. Full details of all shares issued in payment for properties or for any other assets other than cash:

Date	Number of Shares	Consideration
April 18, 1939	<u>2,500,000</u>	All the assets of Steerola Exploration Company Limited.

7. Number of shares sold for cash: 485,005.

8. Total number of shares issued: 2,985,005.

9. Number of shares now in treasury or otherwise unissued: 2,014,995.

This listing statement is a copy of the listing application made by the applicant company. The Exchange has received no consideration in connection with the issue of this listing statement other than the customary listing fee. The papers and exhibits submitted by the applicant company in support of the listing application are open for inspection at the general office of the Exchange.

10. Full details of all shares sold for cash.	<table><tr><th>Date</th><th>Number of Shares</th><th>Price per Share</th><th>Amount realized by Company</th></tr><tr><td>Feb. 23, 1939</td><td>5</td><td>\$1.00</td><td>\$ 5.00</td></tr><tr><td>April 20, 1939</td><td>125,000</td><td>.80</td><td>100,000.00</td></tr><tr><td>x June 29, 1939</td><td>288,875</td><td>.97½</td><td>281,653.13</td></tr><tr><td>x July 5, 1939</td><td>61,125</td><td>.97½</td><td>59,596.87</td></tr><tr><td>x Sept. 18, 1939</td><td>10,000</td><td>.97½</td><td>9,750.00</td></tr><tr><td>Total.....</td><td>485,005</td><td></td><td>\$ 451,005.00</td></tr></table> <p>x (Part of 375,000 shares sold to F. J. Crawford & Co. at \$1.00 per share less 2½c Commission, of which 15,000 shares, additional to the above amounts, are to be taken up in equal parts in September, October and November).</p> <p>Note.—Since the date of this listing 10,000 of these shares have been taken up, leaving a balance of 5,000 shares to be taken up in November.</p>	Date	Number of Shares	Price per Share	Amount realized by Company	Feb. 23, 1939	5	\$1.00	\$ 5.00	April 20, 1939	125,000	.80	100,000.00	x June 29, 1939	288,875	.97½	281,653.13	x July 5, 1939	61,125	.97½	59,596.87	x Sept. 18, 1939	10,000	.97½	9,750.00	Total.....	485,005		\$ 451,005.00
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Total.....	485,005		\$ 451,005.00																										
11. Particulars of any issued shares held in trust for the Company or donated for treasury purposes.	Nil.																												
12. Details of any treasury shares or shares issued subject to payment now under option or the subject of any underwriting or sales agreement. If none, this to be stated.	None, except the 15,000 shares mentioned in footnote in item 10.																												
13. Details of any shares pooled, deposited in escrow, non-transferable or held under any syndicate agreement or control.	None.																												
14. Date of last annual meeting.	None held.																												
15. Date of last report to shareholders.	None officially issued.																												
16. Details of any registration with, or approval or authority for sale granted by, a Securities Commission or corresponding Government body.	Permission granted by the Ontario Securities Commission to make a public offering referred to in item 10.																												
17. Has any application for registration with, or approval or authority for sale by, a Securities Commission or corresponding Government body ever been refused, cancelled or revoked? If so, give particulars.	No.																												
18. Particulars of any bonds, notes, mortgages, charges, liens, or hypothecations outstanding.	None.																												

19. Names and addresses of all transfer agents.	The Trusts and Guarantee Company Limited, 302 Bay Street, Toronto, Ontario.
20. Particulars of any fee charged upon transfers other than customary government taxes.	Nil.
21. Names and addresses of all registrars.	The Trusts and Guarantee Company, Limited, 302 Bay Street, Toronto, Ontario.
22. Are any lawsuits pending against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely? If so, explain fully.	No.
23. Enumerate fully: (a) Properties owned where titles vested in Company. (b) Properties leased. (c) Properties otherwise held. Give particulars of title held by the Company in each instance, (e. g. patented, unpatented, Crown granted, held under mining license, perpetual lease, etc.)	(a) The Company is the owner of patented freehold Parcel 7518 in the Register for Rainy River F.F. in the office of Land Titles at Fort Frances, covering the following Mining Locations and parts of mining locations situate near Steep Rock Lake in the District of Rainy River: Mining Locations G-626; G-627; G-628; G-630; G-630A; G-630B; G-630C; G-633; G-635; G-636A; G-638A; G-654; G-629; G-636 and G-638, and parts of Mining Locations HW-727 and HW-726, containing 1,000 acres more or less, and is also the owner of unpatented mining claims FF-3072 to FF-3083 inclusive; FF-3119 to FF-3121 inclusive; FF-3179 to FF-3187 inclusive; FF-3191 to FF-3199 inclusive; FF-3214 to FF-3222 inclusive; FF-3231 to FF-3255 inclusive; FF-3264 to FF-3275 inclusive; FF-3315 to FF-3328 inclusive; FF-3336 to FF-3343 inclusive; FF-3493; FF-3513 and FF-3514, all recorded in the Mining Recorder's office at Fort Frances, containing 4,320 acres more or less. (b) Nil. (c) Nil.
24. Full particulars of any royalties or other charges payable upon production from each individual property.	None.
25. Describe plant and equipment on property.	The property is equipped with headframe for a 3-compartment shaft, hoist capable of going to a depth of 2000 feet, compressor, power line, transformers, steel shop, warehouse and complete camps for the accommodation of over 100 men.

26. Describe development accomplished and planned.	<p>Over 180 diamond drill holes have been put down at Steep Rock Lake, since the late fall of 1937. This drilling has indicated a body of high-grade hard hematite iron ore, of which the indicated length is 4000 feet and the width from 150 to 300 feet. The greatest depth at which the ore body was cut in drilling was 1800 feet. Tests made indicate a grade of 56% to 60% iron with low phosphorous and sulphur content. South of this point a distance of some 7000 feet, other drill holes have indicated the possibility of another high-grade ore body.</p> <p>Camps have been erected and a headframe has been set up, and shaft-sinking is now under way, having reached a depth of approximately 65 feet. It is intended to put down a 3-compartment shaft to a depth of 1200 feet, and then to cross-cut to the orebody on two or three levels. The shaft is sited a distance of 800 feet from the orebody. It is estimated that this programme will permit shipments of iron ore to commence within a year.</p>
27. Date and author of mining engineer's or petroleum geologist's report filed with this application and available for inspection on request.	Report of W. Samuel, dated June 3, 1939. (See page 7).
28. Full particulars of production.	None.
29. Have any dividends been paid? If so, give dates and amounts.	No.
30. Name and address of the solicitor or attorney whose certificate as to titles and to the fact that there are no encumbrances or tax arrears has been filed with the Exchange.	W. S. Morlock, K.C., 80 King Street West, Toronto, Ontario.
31. Name and address of the solicitor or attorney whose certificate as to the legality of the incorporation and organization of the company, the validity of its shares and the fact that they are fully paid and non-assessable has been filed with the Exchange.	W. S. Morlock, K.C., 80 King Street West, Toronto, Ontario.
32. Has the listing of any shares of the Company ever been refused or deferred on any stock exchange? If so, give particulars.	No.
33. Are any shares of the Company listed on any other stock exchange? If so, give particulars.	No.

FINANCIAL STATEMENT

STEEP ROCK IRON MINES LIMITED

INTERIM BALANCE SHEET AS AT AUGUST 31, 1939

ASSETS

Current:

Cash on deposit and on hand.....		\$ 361,381.91	
Accounts Receivable:			
Employees, etc.....	\$ 257.82		
Shareholders.....	1,250.50	1,508.32	
			\$ 362,890.23

Fixed:

Mining properties.....		2,415,219.50	
Buildings, machinery and equipment.....		30,406.63	
Cash advanced on account of machinery to be delivered....		6,934.02	
			2,452,560.15

Sundry:

Mine stores, supplies, etc.—as shown on Mine Office reports.			11,443.34
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Expenditures Deferred:

Organization expenses.....		4,785.00	
Commission on sale of shares.....		8,750.00	
Pre-production Expenditures—			
Development and Administrative Expenses:			
March 22, 1938, to April 30, 1939, (Steerola Exploration Co., Ltd.).....	\$118,171.77		
May 1, 1939, to August 31, 1939 (Steep Rock Iron Mines Ltd.).....	40,512.93	158,684.70	172,219.70
			<u>\$2,999,113.42</u>

LIABILITIES

Current:

Accounts payable.....	\$ 36,016.13		
Payroll payable.....	3,342.29		
			\$ 39,358.42

Shareholders:

Capital Stock:			
Authorized 5,000,000 shares without par value.			
Allotted 2,937,505 shares for.....		2,920,005.00	
Cash received for which 47,500 shares were allotted on September 18, 1939		39,750.00	
			2,959,755.00
			<u>\$2,999,113.42</u>

AUDITORS' CERTIFICATE

We have audited the Head Office books of the Steep Rock Iron Mines, Limited, from its inception, February 24, 1939, to August 31, 1939. Commencing with August 1, 1939, certain of the Company's accounts were kept at the Mine Office and these have not been audited as yet. We have not examined any documents relating to the Company's title to the mining claims represented above under the heading "Mining Properties". The books of account have not been closed.

Subject to the above comments, we report that, in our opinion, the above Interim Balance Sheet is properly drawn up so as to exhibit a true and correct view of the Company's affairs as at August 31, 1939, according to the best of our information and the explanations given to us and as shown by the books of the Company.

"GUNN, ROBERTS AND CO.",

Chartered Accountants.

Toronto, October 2, 1939.

CERTIFICATE AS TO TITLES, ETC.

We beg to advise you that we have had charge of the incorporation and organization of Steep Rock Iron Mines Limited, and have also prepared the voting trust agreement dated the 26th day of April, 1939, between Steerola Exploration Company Limited of the first part, and Joseph Errington, Julian G. Cross and Donald M. Hogarth as voting trustees of the second part, relating to the deposit with the Voting Trustees of certificates for shares of Steep Rock Iron Mines Limited and the issue by the Voting Trustees of voting trust certificates.

We beg to advise you that in our opinion the company has been properly organized under the laws of the Province of Ontario; that its outstanding shares are fully paid and non-assessable and that the voting trust certificates are legal for public sale.

We also beg to advise you that we have examined the titles to the freehold lands and mining claims described in the application for listing of voting trust certificates and that in our opinion the company has good and sufficient title thereto and that there are no encumbrances or disputes of any kind registered or recorded against the same. We have also made a search and find that there are no outstanding taxes owing in respect of the lands or mining claims.

"TILLEY, THOMSON & PARMENTER",

Barristers and Solicitors,

Toronto, Ontario.

September 29, 1939.

VOTING TRUST AGREEMENT DATED APRIL 28, 1939

The issued capital of the company, as of the date of this listing statement, comprises 2,985,005 shares without par value, all of which, except 5 shares held by the original incorporators, are registered in the names of Joseph Errington, Julian G. Cross and Donald M. Hogarth as Voting Trustees, under the provisions of a voting trust agreement made between Steerola Exploration Company Limited and the Voting Trustees dated April 26th, 1939.

The voting trust agreement reads in part as follows:

1. The Voting Trustees will from time to time issue or cause to be issued to Steerola Exploration Company Limited or upon its order in respect of the shares in the capital stock of the said company, voting trust certificates in such form, containing such terms and conditions and transferable in such manner as may be determined by the Voting Trustees, evidenced by their signing an approved form of such certificate.
2. Unless renewed as hereinafter provided, this agreement shall remain in full force and effect until and shall terminate upon the 1st day of May, 1944, provided that the Voting Trustees may terminate this agreement at an earlier date upon notice given in accordance with the provisions of Clause 11 hereof. Upon the termination of this agreement the Voting Trustees shall deliver to Steerola Exploration Company Limited or to the holders of any voting trust certificates then outstanding and in exchange therefor, proper certificates for shares of the Company or in lieu thereof may deposit with a trust company in the City of Toronto, stock certificates properly endorsed for transfer in blank representing the shares of the Company held by them, with authority in writing to such trust company to deliver the same to Steerola Exploration Company Limited or to the holders of voting trust certificates then outstanding when and as surrendered in exchange for the shares to which such voting trust certificates refer, and thereupon all further liability of the said Voting Trustees or any of them for delivery of certificates for shares shall cease and determine. If on or before the 1st day of May, 1944, the Voting Trustees shall consider it desirable to effect a renewal of this agreement for a further period but not in any case to exceed five years from the said 1st day of May, 1944, they may call a meeting of holders of the voting trust certificates and in case the holders of a majority in interest of the said voting trust certificates vote in favor of such renewal, this agreement shall thereupon be renewed for such further period as the Voting Trustees may fix and certificates for shares of the Company shall be deliverable only at the expiration of the period of such renewal.
3. From time to time hereafter the Voting Trustees may receive any additional shares in the capital stock of the Company and shall hold such additional shares subject to the terms of this agreement in like manner and to the same effect as if the same had been originally deposited with them.
4. In case the Voting Trustees shall receive any shares of the Company issued by way of dividend upon the shares held by them subject to this agreement, they shall hold such shares subject to the terms of this agreement and if required shall issue voting trust certificates representing the same to the respective holders of the then outstanding voting trust certificates entitled to receive such stock dividend.
5. The Voting Trustees shall have full power to appoint and to remove from time to time an agent or agents to sign on their behalf and to transfer voting trust certificates and may employ such servants, agents and counsel as they may deem advisable for the purpose of administering the trust and all charges and expenses incurred by the Voting Trustees and all loss or damages which may be suffered or incurred by the Voting Trustees in the performance of their duties and the administration of the trust shall be repaid to them and until so repaid shall be and remain a first charge on the shares held by them.

6. Any Voting Trustee may at any time resign by delivering to the other Trustees his written resignation to take effect ten days thereafter and any Trustee so resigning shall have power to appoint his successor. Any Voting Trustee may also appoint his successor to act in the case of his death and in the event of his not so doing the vacancy so occurring shall be filled by the appointment of a successor by the executors or administrators of the Voting Trustee so dying. In the event of any Voting Trustee resigning or dying without appointing his successor, or in the event of the executors or administrators of any deceased Voting Trustee failing to appoint a successor Trustee within six months after the death of such Voting Trustee, such successor Trustee may be appointed in writing by the remaining Voting Trustees.
7. The Voting Trustees may adopt their own rules of procedure. The action of a majority of the Voting Trustees expressed from time to time at a meeting or in writing, with or without a meeting, shall constitute the action of the Voting Trustees and have the same effect as though assented to by all, except as to the termination or extension of this agreement, which shall require the approval of all the Trustees. Any Voting Trustee may appoint a proxy or attorney to attend meetings, sign documents and otherwise act for him. Any Voting Trustee may act as a director or officer of the Company.
8. The Voting Trustees possess and shall be entitled in their discretion to exercise, so long as they remain the holders of the said shares, all rights and powers of absolute owners of the said shares, including the right to vote for every purpose and consent to any corporate act of the Company, it being expressly stipulated that no voting right passes to others by or under this agreement or under any other agreement, express or implied, nor under any voting trust certificate.
9. In voting the shares held by them the Voting Trustees will exercise their best judgment from time to time to secure suitable directors, executive officials, officers and employees to the end that the affairs of the Company shall be properly managed and in voting and acting in all matters which shall come before them as shareholders or at shareholders' meetings, will exercise their best judgment, but it is hereby declared and stipulated that the Voting Trustees assume no responsibility in respect of such managing or in respect of any action taken by them or taken in pursuance of their consent thereto or approval thereof as such shareholders or in pursuance of their votes cast as such shareholders and no Voting Trustee shall incur any responsibility by reason of any error of law or of any matter or thing done or suffered or omitted to be done under this agreement, except only for his own individual wilful misconduct.
10. The Voting Trustees shall have the right to make rules and regulations and impose terms and conditions governing the calling of meetings of holders of voting trust certificates, proof of ownership of voting trust certificates, the execution of consents, waivers or other documents by the holders of voting trust certificates, and generally all matters relating thereto.
11. Any notice which it is desirable or necessary to give to the Company or to Steerola Exploration Company Limited or to the holders of voting trust certificates may be given by mailing the same in a prepaid envelope addressed to the party to whom such notice is being given at his usual or last known business address or at any address furnished to the Voting Trustees or their agents, and such notice shall have effect as of the day following the day on which the same is posted.

MINING ENGINEER'S REPORT DATED JUNE 3rd, 1939.

The property of the Steep Rock Iron Mines, Limited covers a large portion of the waters of Steep Rock Lake and with adjoining shore holdings, is situated about four miles north of the town of Atikokan, in the District of Rainy River.

Diamond drilling in search of commercial hematite ore bodies commenced in January 1938, ore was found in March 1938, and exploration of the ore bodies has continued to the present. A total of one hundred and sixty-six holes have been drilled, of which one hundred and forty-five were vertical holes from the lake ice, to outline the ore bodies below the waters of the lake.

Sixty-eight of these vertical holes reached bedrock in the north part of the middle west arm of Steep Rock Lake, of which thirty showed iron ore of commercial grade; and indicate an ore zone three thousand five hundred feet long, by from one hundred and fifty to three hundred feet wide, as shown on the accompanying plan, the majority of which should be ore of commercial grade.

The western end of this zone has been cut by drill holes at vertical depths of six hundred and fourteen hundred feet below lake level, in both cases showing ore of commercial grade.

A second ore zone of unknown extent is indicated by three vertical drill holes, about one and one half miles south of the zone described above.

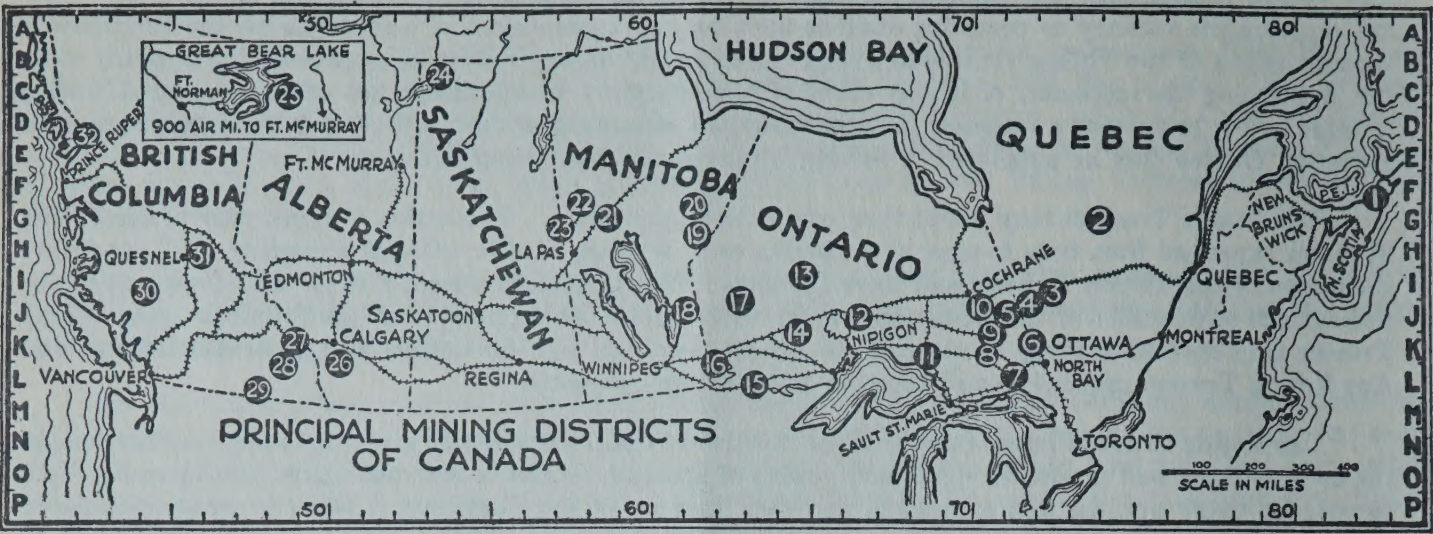
Diamond drill holes at bedrock and in depth indicate that the ore should carry a content of about 60% metallic iron (dry) and a phosphorus content low enough to make the ore a Bessemer grade.

Camps have been established and preparations are being made to sink a shaft to a depth of 1400 feet below lake level.

Atikokan, Ontario.
June 3rd, 1939.

"W. SAMUEL",
Mining Engineer.

MAP SHOWING APPROXIMATE LOCATION OF PROPERTIES



STEEP ROCK IRON MINES LIMITED

Properties at Map Co-ordinates L.—64, Steep Rock Lake, near Atikokan,
District of Rainy River, Province of Ontario.

MINING DISTRICTS

- | | | | |
|---|--|---|------------------------------|
| 1. Nova Scotia. | 8. Swayze. | 16. Lake of the Woods. | 24. Lake Athabaska. |
| 2. Chibougamau. | 9. Matachewan—Gowganda
—Shining Tree. | 17. Red Lake—Woman Lake. | 25. Great Bear Lake. |
| 3. Cadillac—Malartic—Pascalis
—Bell River. | 10. Porcupine. | 18. Central Manitoba—Beresford
Lake—Rice Lake. | 26. Turner Valley Oilfields. |
| 4. Rouyn. | 11. Michipicoten—Goudreau. | 19. Island Lake. | 27. Easter, B.C. |
| 5. Kirkland Lake—Larder Lake. | 12. Long Lac—Sturgeon River. | 20. God's Lake. | 28. Kootenay. |
| 6. Hislop—Boston Creek. | 13. Crow River. | 21. Herb Lake. | 29. Sheep Creek—Trail. |
| 7. Cobalt—South Lorraine.
Sudbury. | 14. Sturgeon Lake. | 22. Cold Lake. | 30. Bridge River. |
| | 15. Rainy River—Mine Centre. | 23. Flin Flon. | 31. Cariboo. |
| | | | 32. Portland Canal. |

STATEMENT SHOWING NUMBER OF PERSONS HOLDING VOTING TRUST CERTIFICATES,
TOGETHER WITH THE NUMBER OF SHARES REPRESENTED BY THE CERTIFICATES
AS AT SEPTEMBER 28, 1939.

Number	Shares
65 Holders of 1 to 100 share lots.....	5,810
139 Holders of 101 to 1000 “ “	78,830
10 Holders of 1001 to 2000 “ “	18,160
8 Holders of 2001 to 3000 “ “	22,000
2 Holders of 3001 to 4000 “ “	7,000
12 Holders of 4001 to 5000 “ “	59,400
40 Holders of 5001 up “ “	2,793,800
276 Stockholders	Total Shares..2,985,000